

Scripps-Howard
Broadcasting Company

Operating Code

Promulgated 1946
Revised 1965, 1969, 1972, 1978

Federal Communications Commission

Docket No. 93-94 Exhibit No. 22

Presented by FOUR JACKS

Disposition	}	Identified <u>✓</u>
		Received _____
		Rejected <u>✓</u>

Reporter M.K. FLEISHMAN

Date 11/12/93

Table of Contents

Operating Code

Scripps-Howard
Broadcasting Company

	Page		Page
OUR PRIMARY OBJECTIVE	1	PROGRAMS CONTAINING HORSE RACING INFORMATION	12
NEWS	1	LOCAL LIVE PROGRAMS	12
PUBLIC AFFAIRS PROGRAMS	2	NETWORK PROGRAMS	12
EDITORIALIZING	3	COMMERCIAL POLICIES	13
THE "FAIRNESS DOCTRINE" IN THE HANDLING OF CONTROVERSIAL PUBLIC ISSUES AND RULES APPLICABLE TO PERSONAL ATTACKS AND POLITICAL EDITORIALS	3	(a) Advertising Pertaining to Securities and Investments ..	13
USE OF THE STATION BY CANDIDATES FOR POLITICAL OFFICE	4	(b) Fraudulent Billing	13
Terms and Conditions of Sale	5	(c) Use of Maps or Other Depictions of Coverage	14
Production	5	(d) Joint Rates	14
Deadlines	5	(e) Trade Deals	14
Disclaimers	6	(f) Bulk Time Sales and Time Brokerage	14
Pre-announcements	6	(g) Truth-in-Lending Law	15
Public information	6	CONTROLS OVER PROGRAMMING AND COMMERCIAL POLICIES	15
EDUCATIONAL AND CULTURAL PROGRAMS	6	(a) Review of All Material Before Broadcast	15
RELIGIOUS PROGRAMS	6	(b) Periodic Review of Programming and Commercial Operations, and Reporting Changes to the FCC	16
TELEPHONE DISCUSSION PROGRAMS	7	(c) Procedures to Prevent "Payola"	17
CONTESTS, GAMES AND GIVE-AWAY PROGRAMS	8	(d) Procedures for Ascertaining the Needs, Interests and Problems of Areas and Populations Served	17
BROADCASTING OF CONTESTS OR OTHER PROMOTIONS DURING RATING SURVEY PERIODS	10	(e) Procedures for Handling Complaints and Responding to FCC Inquiries and Investigations	18
CHILDREN'S PROGRAMS	11	EQUAL EMPLOYMENT OPPORTUNITY	19
		IMPLEMENTATION OF THE FOREGOING POLICIES	20

SH0010556

Scripps-Howard Broadcasting Company Operating Code

OUR PRIMARY OBJECTIVE

Our primary mission is to deliver information, education, entertainment, news and public service programming to the homes of radio listeners and television viewers as part of a balanced program service which is continuously responsive to the needs, interests and problems of the areas and populations served.

Inherent in this primary objective is the duty of each of our stations to provide an effective vehicle for local self-expression and for the development of local talent, as well as a medium for honest and effective advertising by local, regional and national advertisers.

The following instructions dealing with specific areas of programming and practice are issued as a guide to all station managers and subordinate personnel charged with the duty of implementing the foregoing objectives.

NEWS

From its beginning, your Company has believed the presentation of news to be one of the most delicate and important parts of your job. Strive to do the best job in this field of any station heard or seen in your community.

You must not stint to bring all the news—local, state, national and international—into your studios. Employ competent editors and intelligent newscasters who have knowledge of current and past events and who understand what they broadcast.

Each station manager is responsible for insuring the integrity of the news operations of his station, and to insure that integrity must exercise diligence to determine whether or when a newscaster is properly discharging his news functions in connection with a matter as to which he has a significant private interest which might be thought to have an effect on the discharge of that function.

Staff news announcers will refrain from conveying their personal opinions. News must be presented factually, fairly and utterly free from bias and prejudice. No slanting or distorting of the news will be permitted and any staging or acting out of news events is absolutely prohibited.

In the case of investigative journalism involving situations where there is unfolding a commission of a crime, the station's coverage and journalistic effort should be dependent upon the nature of the criminal episode or misconduct involved. The police should be promptly notified of any violence, injury or misappropriation of or damage to property. In other situations where such elements are lacking, coverage for purposes of investigative exposure is permissible. In all such cases the station has to be law abiding itself and cannot induce in any way the commission of a crime.

Accordingly, news personnel must not encourage, solicit, induce or support through payment, or otherwise encourage any participation in misconduct or criminal activity. All film or other material for broadcast involving news coverage of a violation of law must be reviewed prior to broadcast by the news director, or in his absence, by the station manager and specifically approved by him for broadcast. Scrupulous care for accuracy in presentation of such material is essential so as to avoid misleading or misinforming the public.

In the coverage of any news event, particularly those involving public rioting or violence, the newsmen in charge should withdraw visible news filming or remote equipment in any case where in his judgment the presence of such equipment is encouraging or inciting violent or unlawful conduct.

Any complaints or criticism of a news broadcast, particularly in the case of coverage of unlawful activity, will be communicated promptly to the station manager who shall conduct prompt inquiry to ascertain the facts with respect to the matter in question. In making such investigation station managers should not only review the matter with station personnel involved but should make every effort to ascertain the facts by inquiry of non-employee participants, and a full report should be made to the President.

News should not be selected for the purpose of furthering or hindering any side of a public question. No sponsor will be permitted even indirectly to influence news treatment or selection. News analysis or interpretation should be clearly identified as such and varying viewpoints of responsible segments of the community should be presented in a balanced and impartial manner. Advertising in news programs should be placed and presented in such a manner that the advertising will be clearly distinguishable from the news content.

Handle your newscasts to enable listeners to know what is happening and to understand the meaning of events so that they may form their own conclusions. The motto of the Scripps-Howard organization of which your station is a part is: "Give Light, and the People Will Find Their Own Way." Let this motto be your code in the presentation of all news.

PUBLIC AFFAIRS PROGRAMS

Your instructions to maintain objectivity in news presentations do not prevent, but on the contrary, require that you make time available for the full, free and informative discussion of subjects which are of importance to the public residing in the service area of your station.

Such programs, formerly classified by the Federal Communications Commission as "talk" and "discussion," should provide a meaningful presentation of public issues and, whenever practicable, should be produced in cooperation with responsible local voluntary or tax supported organizations and institutions dedicated to the improvement of the social, cultural, educational and economic welfare of the community and its citizens.

Our policy is to make time and spot announcements available free of charge for broadcasts by or on behalf of such non-profit organizations and to assist them in obtaining broad community understanding of and support of their programs.

If any such broadcast involves the discussion of a subject which is currently a controversial public issue, the station must conform to the requirements of the Commission's "Fairness Doctrine" which is explained in a subsequent section of this Code.

Procedures for ascertaining community problems with which the station's public affairs programs should deal are set forth in the Commission's 1976 "Primer on Ascertainment of Community Problems by Broadcast Renewal Applicants" which is referred to in a subsequent section of this Code.

SH0010558

EDITORIALIZING

Broadcast editorializing whereby the station takes an editorial position on public issues or candidates, although a proper exercise of a broadcaster's right of free speech, has not been the practice of the Scripps-Howard stations.

Because editorializing by broadcast licensees must be approached with the utmost care and preparation, no station licensed to the Company will editorialize without the express authority of the President. If editorializing is so authorized, the following guidelines must be adhered to:

Editorials should generally deal only with timely matters of importance to the public residing in the station's service area. Attacks on individuals, groups or institutions should be avoided. Where an editorial pertains to a controversial public issue, a reasonable opportunity must be given by the station for the expression of all responsible divergent viewpoints, as discussed in subsequent paragraphs dealing with the "Fairness Doctrine."

Editorials must be identified as such and be clearly distinguishable from news or other program material. They should always be based upon careful investigation of the pertinent facts in order to assure that opinions expressed will be well informed and well founded.

Each editorial must be followed by a statement to the effect that the station encourages the broadcast of contrasting viewpoints by responsible spokesmen.

Editorials should always be delivered from a script and a record thereof kept in the station's files available for inspection by interested parties for at least two years from the date of broadcast.

THE "FAIRNESS DOCTRINE" IN THE HANDLING OF CONTROVERSIAL PUBLIC ISSUES AND RULES APPLICABLE TO PERSONAL ATTACKS AND POLITICAL EDITORIALS

In the handling of all controversial public issues it is your duty to bring to your listeners and viewers a fair and as complete a presentation of the basic facts as possible, as well as a balanced presentation of the opposing viewpoints. Only a well-informed public can be expected to reach intelligent and mature conclusions on the issues before them.

The foregoing statement of principle has always been a basic policy of this Company and its stations, and the Commission has on numerous occasions emphasized the broadcaster's duties in this regard in statements pertaining to its "Fairness Doctrine."

The "Fairness Doctrine" imposes two affirmative obligations on a broadcaster. The first is to cover issues of public importance adequately. While the Commission has emphasized that licensees are not required to address each and every issue which may be considered controversial and of public importance, issues which are "vital" or "critical" in a particular community cannot be ignored. In a 1976 decision the Commission held a licensee in violation of the "Fairness Doctrine" when it failed in the Commission's view to provide adequate coverage of strip mining which the Commission found was a critical issue of public importance in the licensee's local community. (59 FCC 2d 987).

The "Fairness Doctrine" also requires that when a broadcaster allows his facilities to be used for the expression of an opinion or position on a controversial public issue, whether by others or by the station itself in the form of an editorial, commentary, paid ad presenting a position in an obvious and meaningful way, or otherwise, a reasonable opportunity must be afforded for the presentation of opposing viewpoints. The station cannot merely wait for others to request time but in line with its duty to offer a balanced presentation must act affirmatively to see to it that the opposing positions are fairly presented to its listeners or viewers, by actively seeking out responsible spokesmen for the various divergent viewpoints.

The "Fairness Doctrine" does not require the broadcaster to give "equal time" to opposing groups or viewpoints. Rather, it permits the broadcaster to exercise a good faith judgment as to

whether a controversial issue of public importance is involved, as to how a particular issue is to be presented, and by whom; and if the station has made a sincere and reasonable effort to aid and encourage the presentation of the significant sides of a controversy, either by affording time to a particular group or person of its own choice or through its own programming, it has satisfied the requirement for fairness. Where an editorial is presented by the station, with the approval and under the conditions mentioned above, an appropriate method of meeting the station's obligation under the "Fairness Doctrine" would be to send a copy of the editorial to all known responsible advocates of an opposing viewpoint and offer an opportunity to reply.

The Commission has ruled that the public's right to receive opposing views on controversial issues cannot be nullified by the inability of the licensee to obtain paid sponsorship of the broadcast time. Thus where the station broadcasts a sponsored program which for the first time presents one side of a controversy, it must nevertheless see to it, either in its own programming or by calling upon spokesmen for the opposing sides, that a balanced treatment is offered, whether or not sponsorship can be obtained for such opposing presentations.

The Commission has said that it regards strict adherence to the "Fairness Doctrine", including the obligation to provide coverage of issues of public importance, as the single most important requirement of operation in the public interest.

An outgrowth of the "Fairness Doctrine" are the Commission's rules applicable to Personal Attacks and Political Editorials. These rules are found in Sections 73.123 (AM), 73.300 (FM), and 73.679 (TV) of the Commission's rules and regulations and must be strictly observed. All supervisory program personnel must be familiar with them. These rules provide that when, during the presentation of views on a controversial issue of public importance, an attack is made upon the honesty, character, integrity or like personal qualities of an identified person or group, the licensee shall, within a reasonable time and in no event later than one week after the attack, transmit to the person or group attacked notification of the date, time and identification of the broadcast, a script or tape (or an accurate summary if a script or tape is not available) of the attack and an offer of a reasonable opportunity to respond over the licensee's facilities. The right to respond is a personal right of the party attacked which can be delegated to a spokesman but only by such party. Certain exceptions to the rules are provided for, notably with respect to bona fide newscasts, bona fide news interviews and on-the-spot coverage of bona fide news events, but the "Fairness Doctrine" is applicable in these situations. It should be noted that news documentaries are not exempted.

The above mentioned rules also contain special provisions with respect to notification, the furnishing of a script or tape, and the offer of an opportunity to reply when the licensee in an editorial endorses or opposes a political candidate, or takes a partisan position on a politically significant issue readily and clearly identified with a legally qualified candidate even though there is no direct reference to an election.

As a further outgrowth of the "Fairness Doctrine" the Commission has developed the so-called "Quasi-Equal Time" doctrine as set forth in a letter to Nicholas Zapple dated June 3, 1970. In that letter the Commission ruled that where supporters of political Candidate A buy time and discuss their candidate or the campaign issues there has been a presentation of one side of a controversial issue of public importance, and therefore, barring unusual circumstances, it would be unreasonable for a licensee to refuse to sell time to spokesmen for or supporters of opposing Candidate B comparable to that bought on behalf of Candidate A. However, the licensee is not required to provide free time to B's supporters where it sold the time in the first instance. The Commission has stated that the Zapple ruling is, for all practical purposes, confined to campaign periods and to major party candidates.

USE OF THE STATION BY CANDIDATES FOR POLITICAL OFFICE

The Scripps-Howard stations will make time available to political advertisers for primary and general or special elections campaigns within the limitations of the FCC rules, station policy, the

Federal Communications Act of 1934, as amended, the Federal Election Campaign Act of 1971 as amended, and applicable local law. Such time may be purchased by a legally qualified candidate, or by a political party, committee, group, individual or organization in behalf of or in support of a legally qualified candidate. In the latter case the station should require from the purchaser a written statement from the candidate or his campaign manager authorizing the broadcast. However, where, particularly in the case of candidates for national or statewide offices, it may be impractical to require such a statement, the station must reasonably satisfy itself as to the authenticity of the order before accepting it for broadcast. In the case of time purchased by a committee, group or organization, the station must require the purchaser to furnish it the following information: the name of the corporation, committee, association or other unincorporated group, or other entity purchasing the time, and a list of the chief executive officers or members of the executive committee or of the board of directors of the corporation, committee, association or other unincorporated group, or other entity.

The Company will afford equal access to its facilities to all legally qualified candidates for a particular office. It will also allow reasonable access to or permit purchase of reasonable amounts of time by legally qualified candidates for federal elective office as required by Section 312 of the Communications Act as amended and FCC interpretations thereunder.

Terms and Conditions of Sale

Rates for political broadcasts will be the same for both time and facilities as those charged other advertisers for comparable periods and services, provided, however, if the time is to be used by a candidate himself within 45 days of a primary or primary run-off election, or within 60 days of a general or special election, the charges for use of the station will not exceed the lowest unit charge of the station for the same class and amount of time for the same period. The Company will pay standard commissions to recognized advertising agencies.

No announcement or time on a program may be allotted to a candidate by a regular advertiser of the station.

All political broadcast orders must be in writing, and payment in full for time and facilities must be made in advance of broadcast. No options for time will be granted.

When two or more legally qualified candidates share a program period, they are entitled to share the applicable lowest unit rate for such program period.

Production

The Company places no restriction on production techniques. Charts, maps, photos, film clips, recordings, and other visual or aural aids may be used. However, no employee may appear on camera in connection with a sponsored political program or announcement, nor read or make any statement which might be interpreted as a personal endorsement.

Deadlines

All physical materials intended for a broadcast—scripts, films, recordings, visuals, etc—must be delivered to the station's operations desk in sufficient time to ensure that the material will be used on the broadcast. It is suggested that the following schedule be adhered to insofar as possible:

Day of Broadcast	Material on Hand at Station	
Monday	Thursday	5:00 PM
Tuesday	Friday	5:00 PM
Wednesday	Monday	5:00 PM
Thursday	Tuesday	5:00 PM
Friday	Wednesday	5:00 PM
Saturday	Thursday	5:00 PM
Sunday	Thursday	5:00 PM

SH0010561

Disclaimers

Every political announcement must state by whom the time has been purchased and for whom, if this is not made plain by the text of the announcement. Such identification may be oral or visual or both, and will be included with the 10, 20, 30 or 60 seconds purchased.

Each political program must contain a statement disclosing the name of the sponsor, as well as the name of the candidate in whose behalf the program has been purchased. Such statement must open and close quarter-hour, half-hour, and full-hour programs but may be used at either the beginning or end of five-minute programs. It may be visual, oral, or both. For guidance as to what constitutes proper sponsorship identification, see the FCC's recently published Political Broadcasting Primer, Part III-L, 43 Federal Register p. 36391 (Aug. 16, 1978).

Some political programs which contain mechanical reproduction (e.g. recordings, tape or film) may require an announcement to that effect. See FCC Rules Section 73.1208.

Pre-announcements

Air time will not be given for pre-announcements promoting political broadcasts, but program information for newspaper and magazine listings will be released to the extent that time permits.

Public Information

All requests for broadcast time made by or on behalf of candidates for political office with a notation of the disposition of each request and the charges made for any time provided, and a record of any free time provided for use by or on behalf of a candidate must be placed in the station's political file as soon as possible and kept available for public inspection at any time during regular business hours for a period of two years. The material to be kept in the station's political file and available for public inspection also includes the lists of chief executive officers, etc., mentioned in the first paragraph of this section.

EDUCATIONAL AND CULTURAL PROGRAMS

The Company has always subscribed to the principle that one of the goals of broadcasters should be to develop programs directed toward advancing the cultural and educational aspects of their communities.

For your guidance the statement pertaining to the advancement of education and culture as set forth in the NAB Radio Code, which is equally applicable to television, is quoted as follows:

1. Because radio is an integral part of American life, there is inherent in radio broadcasting a continuing opportunity to enrich the experience of living through the advancement of education and culture.
2. Radio broadcasters, in augmenting the educational and cultural influences of the home, schools, religious institutions and institutions of higher education and other entities should:
 - (a) be thoroughly conversant with the educational and cultural needs and aspirations of the community served;
 - (b) develop programming consonant with the station's particular target audience.

RELIGIOUS PROGRAMS

It is the policy of the Company to make broadcast time available to all representative religious faiths in the station's coverage area on a fair and equitable basis.

SH0010562

As a general rule the Company does not accept money and makes no charge for religious programming. However, recognizing that the acceptance of certain "paid" religious programming may be in the public interest, a limited amount of such programming may be accepted in special situations with the express authority of the President.

Broadcasting, which reaches men of all creeds simultaneously, should avoid attacks upon religion, and programs should be presented respectfully and without prejudice or ridicule. Such programs should place emphasis upon broad religious principles, be presented by responsible individuals, groups or organizations, should not be used as a vehicle for an appeal for funds, and should exclude controversial or partisan views not directly or necessarily related to religion or morality. It should be the purpose of all religious broadcasts to promote the spiritual harmony and understanding of mankind and to administer broadly to the varied religious needs of the community.

The station should use its best efforts to apportion time fairly among the representative faith groups of its community.

TELEPHONE DISCUSSION PROGRAMS

Telephone discussion programs are those which invite the audience to telephone the moderator of the program to express their views, opinions and facts on the topics under discussion. Where properly handled such programs may serve as a useful vehicle for public expression but, because of the potential problems involved and the extreme care with which they must be handled, no such program should be scheduled, except with the express authority of the station's general manager, and then only after a determination that a need for this type of discussion program exists in the community.

If this type of program is to be carried, the following precautions should be observed:

Such programs should be moderated by a carefully selected person of mature judgment and responsibility who can be relied upon to select appropriate topics for discussion and to conduct the program with discretion and proper care to prevent any objectionable material from being broadcast. He must be in control of the program at all times so as to prevent any use of the station's facilities for defamatory, profane, offensive or irresponsible statements or for purposes of propaganda. He must see to it that the discussions concern issues, facts and ideas of general interest, and no mention should be made of private individuals, firms or groups except where such mention is purely incidental to matters of general interest or currently in the news. The moderator must be carefully instructed in his responsibilities and required to clear all actual or potential problems with the program director or general manager.

The voice of a participant should be permitted to go on the air only through a device which uses a tape to delay the voice for a sufficient length of time and provides a cut-off switch to permit the moderator to screen the statement and delete any objectionable comments or material. Should any objectionable matter slip through on the air, it should be immediately repudiated by the moderator.

It is recognized that technological requirements of telecasts featuring conversations between persons at two different points render impossible the tape delay referred to above. In such cases "talk back" segments may be carried without the delay feature only where a competent person fully authorized to exercise control and the greatest care over material broadcast is present at each of the locations involved. Such omission of the tape delay should only be by special authorization of the general manager and where the omission is to be continued beyond a single telecast the President should be notified.

Since controversial issues may be involved, any such program should be recorded in full and, as a protection to the station should any question arise, the tape should be preserved for at least six months unless a complaint has been made in which case the tape should be retained

until the complaint has been disposed of. Where a controversial issue is involved, care must be taken to observe the requirements of the "Fairness Doctrine" discussed above.

All stations are reminded of the requirements of Section 73.1206 of the FCC Rules which provides that before recording a telephone conversation for broadcast, or broadcasting such a conversation simultaneously with its occurrence, a licensee must inform any party to the call of the licensee's intention to broadcast the conversation, except where such party is aware, or may be presumed to be aware from the circumstances of the conversation that it is being or likely will be broadcast. Such awareness is presumed to exist only when the other party to the call is associated with the station (such as an employee or part-time reporter), or where the other party originates the call and it is obvious that it is in connection with a program in which the station customarily broadcasts telephone conversations. The Commission has ruled that the recording of such a conversation with the intention of informing the other party later, whether during the conversation or after it is completed, but before it is broadcast, does not comply with the rule if the conversation is recorded for possible broadcast. Notice should be given before the conversation is recorded.

CONTESTS, GAMES AND GIVE-AWAY PROGRAMS

No announcement of, or information concerning, or any program involving, a lottery, gift enterprise or similar scheme within the meaning of Federal, state or local municipal law shall be broadcast on any Scripps-Howard station, except where the announcement, information or program involves a lottery conducted by a State acting under authority of State law and then only by a station licensed to a location in that State or to a location in an adjacent State which also conducts such a lottery. (See FCC Rules Section 73.1211)

Because of the possibility that a prohibited lottery, gift enterprise or similar scheme may be involved, extreme care must be exercised in the broadcast of any information or program involving a contest, game, give-away or drawing. A lottery is involved in any contest, game, give-away program, gift enterprise or similar scheme offering a prize or prizes depending in whole or in part upon lot or chance, where the contestant or participant is required as a condition of winning or competing to furnish any money or thing of value, or to have in his possession any product sold, manufactured, furnished or distributed by a sponsor of the program or contest. Since the determination of whether the elements of a lottery are present in specific situations often involves varying applications of local law and requires subtle legal distinction and resort to court decisions and administrative interpretations, the opinion of the General Counsel should be obtained in all but the clearest cases.

Before any announcement or program (or announcement concerning a program) involving a contest, game, give-away or drawing, in which members of the public are eligible to participate, shall be broadcast, a detailed description of such program shall be submitted to the general manager of the station, or the person designated to act in his behalf, for his approval, and, if necessary, for clearance by the General Counsel.

The general manager of the station shall obtain clearance from the General Counsel in any case in which he has any doubt as to whether the contest or program would constitute a lottery.

Such approval and clearance shall be required whether the program is to be sponsored by an advertiser or by the station itself. In the case of a station-sponsored contest, game, drawing or give-away, the program shall not be carried unless it has entertainment value.

In the case of all station-sponsored and station-conducted contests, the following shall apply:

1. All contestants must be given full and accurate information in announcements broadcast by the station regarding the material terms of the contest to enable them to compete fairly with all other contestants on equal terms. Such terms should be

disclosed at the time the audience is first told how to enter or participate and should be repeated in a reasonable number of announcements broadcast thereafter throughout the duration of the contest.

2. Announcements pertaining to the contest must clearly state:
 - (a) The rules of the contest, including the criteria and time for judging or selecting the winner or winners;
 - (b) Where, when and how to enter or participate and any eligibility restrictions;
 - (c) The number, nature and value of prizes, and the basis for valuation of prizes;
 - (d) How prizes will be awarded in the case of ties, and when applicable, that the decision of the judges shall be final.
3. No contest in the nature of a treasure hunt shall be carried in which the amount of the prize decreases as the contest progresses.
4. The general manager of the station shall be responsible for ensuring that no contest description is false, misleading or deceptive; that all contests are conducted substantially as announced or advertised; that the judging is conducted fairly and honestly; and that the prizes are awarded to the winners as soon as possible after the close of the contest.
5. All announcements containing material information pertaining to the contest shall be prepared in duplicate, one copy for use by the station's announcers, the other copy for the station's file.
6. The station shall keep in a locked file a copy of the detailed description of the contest, as approved by the general manager of the station, copies of all announcements containing material information pertaining to the contest which were broadcast over the air; the names of the judges; the names and addresses of the winners; and a statement of the prizes awarded to each winner. Such information shall be kept on file for a period of not less than six months after the close of the contest.

All personnel responsible for the conduct of any station-sponsored contest should be familiar with Section 73.1216 of the FCC Rules.

Where the station is asked to carry announcements concerning a contest sponsored and conducted by an advertiser, the station must be particularly careful to ascertain the precise details of the contest and to satisfy itself that no lottery is involved. The station may not always rely solely on the wording of the proposed advertisements or on other representations of the advertiser but must take all reasonable steps to determine whether the promotion in its actual operation is being conducted as a lottery. If free chances are essential to the legality of a particular promotion, it is the station's responsibility to be sure that the promoters do, in fact, maintain a sufficient supply of free chances available to non-purchasers on a basis which is reasonably equal to that on which purchasers may obtain them.

The station is also responsible for assuring itself that such contests are conducted fairly and without deception, and that advertisements concerning such promotions are not false or misleading, particularly in such matters as the amount or availability of the prize or prizes or the chances of winning. Announcements must provide an accurate description of the contest and set forth the pertinent rules so that the public will not be misled and, where the contest depends upon the reasonably equal availability of free chances, the station's announcements must adequately describe the availability of free chances and the locations, times and manner in which they may be obtained. The Commission has ruled that tag lines such as "no purchase necessary" or "nothing to buy" are inadequate in informing a non-purchaser contestant as to how he can participate.

With respect to games of chance in the food retailing and gasoline industries, the Federal Trade Commission has adopted a Rule forbidding users, promoters or manufacturers of such games to engage in any advertising which misrepresents participants' chances of winning any prize or any advertising, including broadcast media advertising, which fails to disclose clearly and conspicuously (a) the exact number of prizes in each category or denomination to be made available and the odds of winning each such prize, such disclosure for prizes in the amount or value of \$25 or more to be revised each week if the game extends beyond 30 days to reflect the number of unredeemed prizes still available and the odds of winning each such prize, (b) the geographic area covered by the game; (c) the total number of retail outlets participating; and (d) the scheduled termination date. Additionally, the rule contains several provisions governing the actual conduct of the game by the user, promoter or manufacturer. While the rule does not apply directly to the broadcaster whose only involvement is the carrying of advertising concerning the game, in the exercise of licensee responsibility stations should reject any advertising with respect to games of chance in the food retailing and gasoline industries which does not fully comply with the rule. However, if a broadcaster has participated in devising such a game or assisted in its creation, it could be considered as a promoter or manufacturer and hence directly subject to all the requirements of the rule and not just those having to do with disclosures in advertising.

All station personnel are reminded that it is a criminal offense for any person with intent to deceive the listening or viewing public "to engage in any artifice or scheme for the purpose of pre-arranging or pre-determining in whole or in part the outcome of a purportedly bona fide contest of intellectual knowledge, intellectual skill or chance", or to broadcast or participate in the broadcasting of any program with knowledge or reasonable grounds to believe that any violation of the foregoing prohibition is involved. (See Section 509 of the Communications Act of 1934, as amended.)

BROADCASTING OF CONTESTS OR OTHER PROMOTIONS DURING RATING SURVEY PERIODS

The broadcasting of any station-sponsored contest or other promotion for the purpose of artificially inflating audience ratings of the station during a rating survey period, or the intensification of promotional efforts designed to increase audiences only during such periods, is strictly prohibited. The Scripps-Howard stations are expected to attract advertisers as well as listeners and viewers through the excellence of their programming and not through the artificial "hypoing" of ratings.

The aforesaid policy is not meant to preclude the continuation by a station during rating survey periods of its normal pattern of promotional activity. It is the abnormal intensification of such activities during rating periods which is prohibited.

Attention is called to the following statements by the FCC:

"In using audience research, however, the licensee must act responsibly. He therefore has an obligation to take reasonable precautions to insure that a survey which he uses in an advertising campaign is valid (e.g., that it is properly conceived, reasonably free from bias, has an adequate sample). He also has an obligation to act responsibly in the use he makes of the survey.

"Hypoing ratings by conducting unusual and intensive audience promotions during survey periods quite obviously results in ratings of doubtful validity, since the station's share of audience during such promotions may not be typical of its average share."

The Federal Trade Commission stated as follows in a release issued on July 8, 1965:

"1. A person (or firm) making a claim concerning the size, composition or other important characteristics of a listening or viewing audience is responsible for seeing to it that the claim is truthful and not deceptive. If he bases his claim on the results of an

audience survey, he assumes responsibility for interpreting the data accurately. Thus, he should not engage in activities calculated to distort or inflate such data—for example, by conducting a special contest, or otherwise varying his usual programming, or instituting unusual advertising or other promotional efforts, designed to increase audiences only during the survey period. Such variation from normal practices is known as 'hypoing.'"

By Report and Order dated March 17, 1976 the FCC announced that in view of the many and complex enforcement problems, it would not adopt a rule prohibiting distortion of audience ratings. Nevertheless, it stated:

"In conclusion, we wish to stress that we continue to expect licensees to make a bona fide effort to carry out their responsibilities to serve the public interest, and to avoid distortion or misuse of audience ratings. If a licensee or permittee is in doubt as to whether activity appears likely to violate the FTC guidelines or Commission policy, inquiries should be made of the FTC or this agency."

CHILDREN'S PROGRAMS

Broadcasters have a special responsibility to children. Programs directed primarily to children, or which are presented during the times of day when children may be expected to constitute a substantial part of the audience, require application of the highest standard of responsibility and the closest supervision in the selection and control of material, characterization and plot, with due regard for the possible effect upon the young and immature.

Such programs should afford reasonable opportunities for cultural growth as well as wholesome entertainment, and should reflect respect for parents, for honorable behavior, clean living and fair play. They should avoid material of extreme nature which might create undesirable emotional reaction in children, and such subjects as violence and sex should be presented without undue emphasis and only as required by plot development or character delineation. Crime should not be presented as attractive or as a solution to human problems, and sequences involving horror or torture or use of the supernatural or superstitious, or any other material which might reasonably be regarded as likely to overstimulate the child listener or be prejudicial to sound character development should be avoided. No advertising appeal which would encourage children to enter inappropriate places or engage in activities of a dangerous social nature should be permitted.

The FCC has expressed concern about overcommercialization during children's programs on television, and while it has not adopted any rules limiting commercial matter on such programs, it expects licensees to adhere to the time standards adopted by the NAB Television Code for programs initially designed primarily for children under 12 years of age. All Scripps-Howard television stations will adhere to the NAB standards which prohibit the broadcast in such programs during non-prime time of more than 9-1/2 minutes of non-program material per hour on Saturday and Sunday and 12 minutes of such material during non-prime time on Monday through Friday.

The Commission imposed certain other restrictions upon television stations with respect to matter in children's programs in its 1974 "Children's Television Report and Policy Statement" (50 FCC 2d 1). All supervisory personnel should be familiar with and be guided by that report. The Commission requires that adequate separation be maintained between program content and commercial matter so that young children will understand that the commercials are different from the program. Any material constituting advertising should be confined to identifiable commercial segments which are clearly set off from the non-commercial segments of the program. A program host or other personality cannot be allowed to promote products on or adjacent to the children's program on which he appears; nor can other practices, such as the prominent display of the brand names of products in program sets, be engaged in during the body of a children's program which promote products in such a way as to constitute advertising.

PROGRAMS CONTAINING HORSE RACING INFORMATION

The broadcasting of horse races and similar sporting events which are of interest to a substantial segment of a station's audience, or of appropriate news, publicity and advertising concerning horse racing is a perfectly legitimate form of programming provided adequate precautions are taken to assure that the broadcasts will not aid illegal, off-track betting interests in obtaining immediate horse racing information, contrary to the public policy that interstate channels of communication should be denied to persons whose activities aid illegal gambling.

The FCC has not adopted specific rules specifying the broadcast practices which it considers are most likely to aid illegal gambling and it has specifically stated that it does not intend to inhibit the broadcasting of any race, or races, or information pertaining thereto, which is of national importance or of interest to the listening or viewing public. Nevertheless, in 1964 it stated that it would on a case by case basis question at renewal time what interest is being served by stations which *regularly* engage in one or more of the following practices:

1. The broadcasting of a *full program of races* from a race-track, simultaneously with their running.
2. Broadcasting detailed changes in pre-race information, such as post positions, jockeys, probable odds and scratches, prior to the race.
3. Broadcasting of off-times as soon as this information is available, or shortly thereafter.
4. Broadcasting race results and prices paid on a race before the next race has been run at the same track on the same day.
5. Broadcasts of horse race information sponsored by publishers of "scratch-sheets" or other publications disseminating detailed horse racing information by touts, or other persons whose activities may result in aiding illegal gambling or furnishing information to illegal gamblers or bookmakers.

The Scripps-Howard stations are expected to avoid any of the aforementioned practices and to carry out their responsibilities to serve the public interest without assisting illegal activities of any kind. Where there is doubt as to whether information broadcast appears likely to be of substantial use to, or used by, persons engaged in illegal gambling activities, inquiries should be made of local, state and other appropriate law enforcement agencies.

LOCAL LIVE PROGRAMS

Your Company believes that its obligation to operate in the public interest includes the obligation to afford opportunities in the use of its facilities for the development of local live talent, both amateur and professional, as well as for the expression of local views and opinions on matters of local interest through discussion, interview and other types of programming featuring local citizens, civic leaders, and information concerning local community activities. The Scripps-Howard stations have, therefore, long prided themselves on their relatively high percentage of local live programming, and station managers are expected not only to maintain this good record but also to develop new and original vehicles for local expression.

Stations should not hesitate to preempt network program time in order to accommodate a program of greater local importance.

NETWORK PROGRAMS

There is nothing sacred about a network program. Each station has full responsibility for network programs broadcast through its facilities to the same degree as with programs originating in its studios. No station can delegate to any other organization any portion of its responsibil-

ity at all times to operate in the public interest. Each station should refuse to carry any network program or material received from a network which violates the policies of this Company or which the station believes to be unsatisfactory or unsuitable or contrary to the public interest. There is ample precedent in the Company's past operation in this respect.

COMMERCIAL POLICIES

The acceptance of schedules from advertisers must be limited to products and services in legitimate commerce, and each station must be alert and maintain adequate safeguards to prevent the presentation of false, deceptive or misleading advertising. The facilities of Scripps-Howard stations will be denied to any advertiser where there is good reason to doubt either the integrity of the advertiser, the truth of his advertising claims or representations, or compliance with all applicable legal requirements, and the highest standards of good taste.

No broadcast licensee can surrender its programming responsibilities to any sponsor, advertiser, advertising agency or other person, and in all dealings with such persons or organizations the station must retain the absolute right to reject any program, material, product or services to be advertised, advertiser, or advertising copy, and to control the scheduling of all programs and announcements.

Proper sponsorship identification of all sponsored program or commercial material must be made in accordance with the requirements of Section 317 of the Communications Act and the applicable rules and regulations of the Commission. Questions with respect to the interpretation and applicability of these requirements should be referred to the General Counsel.

Your Company subscribes to the Radio Code and to the Television Code of the National Association of Broadcasters, and all station managers and other personnel responsible for the acceptance and scheduling of commercial copy are expected to be thoroughly familiar with and to observe the provisions of these codes, particularly as they pertain to general advertising standards, the acceptability of advertisers and products, and prescribe time standards for advertising copy.

(a) Advertising Pertaining to Securities and Investments

In order to protect the public from deceptive and misleading advertising of securities, both Federal and some state laws and regulations impose special requirements and conditions upon the advertising and offering for sale of stocks, bonds and other securities, and these regulations apply to advertising by radio and television. Thus, for example, in the case of securities offered in interstate commerce the law generally requires that the securities be registered with the Securities and Exchange Commission, and no broadcaster can accept advertising for such securities unless he is satisfied that they have been properly registered. Registration with or approval of a state securities commission is also often required before the securities can be advertised within the state.

The content of permissible advertising of securities is also closely regulated. It is therefore most important that broadcasters exercise a high degree of care in the acceptance of any advertising for securities or investments.

Because of the complicated legislation and governmental regulations involved, the Scripps-Howard stations will not accept advertising of securities unless the approval of the General Counsel as to the legal aspects has first been obtained. This is not intended, however, to prevent stations from broadcasting financial news, market reports or other matter pertaining to securities in general so long as no comment, advice or recommendation with respect to any particular security or investment is involved.

(b) Fraudulent Billing

It goes without saying that no Scripps-Howard station will engage in the fraudulent and reprehensible practice of "double billing."

It is the responsibility of each station manager to maintain adequate procedures to prevent the issuance of any documents by station employees or agents which misrepresent station charges or the nature, content, quantity or time of broadcast of any broadcast advertising. A station must also be vigilant to prevent its becoming a party unknowingly to any similar fraudulent scheme, such as, for example, where a local dealer billed by the station for advertising time at a "local" rate, charges the manufacturer for its share under a cooperative arrangement at the higher "national" rate. Should a station acquire knowledge of or have reason to believe that an advertiser is engaging in any such practice or similar scheme, the station should immediately terminate and refuse all further dealings with such advertiser.

No Scripps-Howard station will engage in the practice of "clipping" network programs, i.e., the failure to broadcast network sponsored programs in full without notifying the network and sponsors of that failure. The Commission has held such practice to be fraudulent and deceptive and in violation of Section 73.1205 of its rules. Such practice may also violate the sponsor identification requirements of the Communications Act and the rules where a sponsor's commercial message is deleted.

(c) Use of Maps or Other Depictions of Coverage

Broadcast licensees must be candid with respect to a station's coverage. Each station must therefore exercise a high degree of care in the use of contour maps or other depictions of station coverage on rate cards or in connection with sales, station promotion and advertising, or otherwise in order to avoid any misleading of advertisers or the public as to the station's actual service contours, power or interference-free areas, or other such information of particular interest to advertisers. Use of contour maps should be limited to those which are accurate and in strict accordance with FCC standards, and are clearly and legibly labeled as to all material details.

(d) Joint Rates

No Scripps-Howard station will participate, either directly or indirectly through a representative, with any other broadcast licensee serving substantially the same area, in the offering of joint or combination rates for the sale of station time. The FCC does not allow combination rates between commonly-owned TV stations and radio stations (AM or FM) serving the same area.

No joint or combination rate or rates for advertising time on two or more Scripps-Howard stations shall be offered except with prior approval of the President and clearance by the General Counsel.

(e) Trade Deals

The exchange of broadcast announcements or program time for program material, property, advertisements in other media or other services in lieu of money, is permissible, provided the station at all times reserves the right to approve all advertisers and sponsors, the sponsor's products, and all commercial copy and continuity and maintains control over the scheduling of all programs and announcements. The foregoing requirements are equally applicable to any time brokerage arrangements mentioned below. All trade-outs or barter transactions must be booked and reported in the Annual Financial Report to the FCC (Form 324) in accordance with instructions and guidelines issued by the Commission.

In any trade deal arrangement with an advertising agency, every advertiser and product in whose behalf the time is to be utilized should be named in the contract and changes should be permissible only with the station's consent.

(f) Bulk Time Sales and Time Brokerage

As a general rule the Scripps-Howard stations do not enter into bulk time sales (the sale of four or more hours per day to the same advertiser) or engage in time brokerage (the sale of time to a time broker for subsequent resale to various advertisers).

FCC regulations do not prohibit bulk time sales or time brokerage arrangements. Although they no longer require that such contracts be filed with the Commission, the regulations do require that such contracts be kept at the station and made available for inspection upon request by the FCC. Where there is any doubt as to whether a particular arrangement may be construed to involve time brokerage, the contract should be kept on file.

Similarly, time sales contracts with the same sponsor for four or more hours per day are required to be kept at the station and made available for inspection upon request. This requirement does not apply where the length of the events (such as athletic contests, musical programs and special events) broadcast pursuant to the contract is not under the control of the station.

(g) Truth-in-Lending Law

Credit advertisers are subject to the provisions of the Federal "Truth-in-Lending" Act and the regulations of the Federal Reserve Board issued thereunder. While broadcasters are specifically exempted from liability under the law if they merely disseminate copy supplied by an advertiser, station managers and other personnel responsible for the acceptance and scheduling of commercial copy should nevertheless be familiar with the requirements applicable to advertising and should reject any advertising which appears to violate the law. Stations which prepare advertising copy for clients, in whole or in part, should be particularly familiar with the law since they may be regarded as agents of the advertiser and could share in the advertiser's liability although exempt as disseminators.

The purpose of the law is to require full disclosure of the terms of consumer credit, and the law and regulations apply to anyone who extends credit to individuals for personal, family, household or agricultural purposes. Essentially, the advertising sections provide that if any of the terms of a credit offer are contained in an advertisement, then other enumerated terms must be disclosed. However, general credit phrases which do not contain specific terms of the credit offer may be used without triggering the disclosure requirements. Any questions with respect to the provisions of the Act and regulations and their interpretation and applicability in specific situations should be referred to the General Counsel.

In addition to rejecting advertising which appears to violate the law, each station should take reasonable steps to assure itself that an advertiser who offers certain credit arrangements over the facilities of the station does, as required by the regulations, usually and customarily make such arrangements or will make such arrangements with customers. Each station will also reject advertisements for a sponsor offering credit terms if the station has grounds to believe, based for example on complaints from listeners or viewers, from a consumer protection organization, or on the basis of action taken by the Better Business Bureau or the Federal Trade Commission, that the sponsor in fact does not comply with the Act and regulations.

CONTROLS OVER PROGRAMMING AND COMMERCIAL POLICIES

(a) Review of All Material Before Broadcast

Each station manager is responsible for all matter broadcast on his station. In the discharge of this responsibility it is essential that all program materials, both commercial and sustaining and whether network or locally originated, be reviewed before being broadcast in order to assure that no matter which violates any provision of applicable law or regulation or the policies of this Company is allowed to go on the air. The responsibility for such review should be delegated only to experienced and trusted personnel of mature judgment, who will not hesitate to reject or instantly cut any offensive or objectionable material.

All personnel having any responsibility for program review and control must be thoroughly familiar with the FCC regulations and policy statements, applicable federal, state and municipal laws, the NAB Codes, and the policies of this Company.

All network originated material which the station can receive prior to broadcast must be reviewed. Where it is not practicable to review network material received for simultaneous broadcast, procedures must be established for continuous monitoring of all such material as it is received from the network. Personnel charged with the responsibility for such monitoring must be thoroughly familiar with the Company's policies and standards and be vested with authority to delete instantly any network material which unexpectedly violates such policies and standards.

Particular care must be taken to examine and review before broadcasting commercial material prepared by advertisers and/or advertising agencies to assure compliance with Company's standards. Personnel charged with reviewing commercial continuity should be especially instructed in the provisions of the NAB Codes dealing with advertising standards as well as the standards set forth in this Operating Code.

Each station should adopt internal procedures which are effective to deal with the problem of discovering and eliminating unfair and deceptive advertising. FTC Alert Notices and Better Business Bureau releases should immediately be brought to the attention of appropriate station personnel, and all FTC cease and desist orders of which the station has been notified must be observed. When advertising offered a station is the subject of a FTC complaint, the station should acquaint itself with the charges recited in the complaint and the advertiser's response as a basis for determining whether it will carry the advertisement while the matter is under consideration by the FTC. The FCC in an action dealing with the duties of a broadcast licensee in this area has stated:

"In short, every station must have a program to protect the public in this area. The extent of its program will, of course, depend upon the size and resources of the station, with the larger stations making a correspondingly greater effort in this field. However, somewhere in every station's operation (whether it be owner, manager or staff) there must be cognizance of problems regarding deception or misleading advertising, familiarity with the important policies and developments in this area, and the responsibility for determining the acceptability of advertising offered to the station. While reasonable diligence thus varies with the station and with each factual situation, what is called for is a commitment by the licensee to be as vigilant as feasible in his circumstances to protect the public."

**(b) Periodic Review of Programming and Commercial Operations,
and Reporting Changes to the FCC**

In its programming and commercial operations, each station should make every effort to adhere substantially to the representations made to the FCC in its last renewal application. At least once every six months the overall program and commercial operations of the station should be thoroughly analyzed and reviewed by the station manager to assure not only that such representations are being followed, but also that a well balanced program service is being maintained to meet the needs and requirements of the station's service area.

The FCC does not expect that any station will or can adhere inflexibly in its day-to-day operations to the representations made once every three years in its renewal application. It is recognized that changed competitive conditions, changes in the needs and problems of the area to be served, the availability of program material, and many other factors will dictate from time to time that changes in programming and commercial operations should be made. Nevertheless, since the representations and proposals made in a renewal application are in part the basis upon which the FCC acts on an application and are intended to constitute the applicant's best judgment of its future programming plans and policies, it follows that whenever a major change is contemplated which will materially alter the plans and proposals made to the FCC, a letter report describing the nature of the reasons for the change should be made to the FCC after review thereof by the General Counsel.

SH0010572

(c) Procedures to Prevent "Payola"

"Payola" may be defined as the surreptitious receipt of any money or thing of value by a station employee, other than the compensation paid to him by the station, in exchange for plugging any product or business, or for playing certain music, or for broadcasting any other matter on the air. Not only is the practice reprehensible as such but it places the station unknowingly in violation of Section 317 of the Communications Act by failing to make proper sponsorship announcements.

"Plugola" occurs where an announcer or other station employee plugs on the air personal non-broadcast activities in which he has a direct or indirect financial interest, but with the knowledge of the station. While not illegal as such, "plugola" can become "payola" and involve the station in possible violations of Commission rules and policy unless proper sponsor identification is given, proper log entries made, and the announcer's interest disclosed to the public.

No form of "payola" or "plugola" will be tolerated by this Company. Violation of this policy by any station employee is grounds for immediate dismissal. Moreover, Section 508 of the Communications Act makes it a criminal offense for any station employee who accepts or agrees to accept any form of "payola" to fail to disclose that fact to the station.

Each station should adopt and enforce procedures to guard against "payola" at all staff levels, and to insure that any personnel involved in the selection of broadcast matter do not have outside conflicting interests which could influence the presentation of broadcast matter.

All station employees should be advised at the time of their employment, and they should be reminded from time to time thereafter, of the Company's inflexible policy against any form of "payola" as well as the criminal penalties involved. Periodically, at least once each year, all station program personnel should be required to sign a statement acknowledging the employee's understanding of the Company's policy and certifying that he has not accepted or received any "payola" during his employment with the station, and these statements should be kept as part of the station's files. It is suggested that forms embodying the foregoing statement be distributed to employees on December 1st of each year, to be returned no later than January 1st.

(d) Procedures for Ascertaining the Needs, Interests and Problems of Areas and Populations Served

It is the policy and practice of the Scripps-Howard stations to offer a balanced program service responsive to the needs, interests and problems of the areas and populations which they serve. Since those needs, interests and problems may vary greatly from community to community, and are constantly changing, each station must maintain adequate procedures for ascertaining and maintaining the responsiveness of the station's programming to such needs, interests and problems. Ascertainment means that the licensee must elicit constructive information as to the community's needs, interests and problems, not mere approval of existing or pre-planned programming or the audience's current programming preferences. Numerous fruitful sources of information are available to a broadcast licensee to keep itself currently informed of the needs, interests and problems of its service area.

The FCC requires that a licensee ascertain the significant needs, interests and problems of its service area on a continuous basis throughout its license term by interviewing, consulting and maintaining ongoing dialogue with a representative cross-section of community leaders and other individuals in community life. In its 1976 "Primer on Ascertainment of Community Problems by Broadcast Renewal Applicants" the Commission set forth a list of 19 institutions or elements which it found to be present in most communities and requires licensees to interview leaders from each of the enumerated institutions or elements unless the licensee can show that a particular category is inapplicable in its service area. A survey of members of the general public is also required. A report of each community leader interview must be kept in the station's public file as well as documentation of the general public survey.

Station managers and supervisory personnel should be familiar with and be guided by the ascertainment guidelines prescribed by the Commission in its 1976 Primer. A helpful outline of the Commission's current requirements may be found in the NAB Legal Guide, a copy of which should be available at each station.

Long time residence of station personnel in the various communities lying within the station's service area and their participation in local community affairs also provide a helpful fund of information as to community needs. Consequently personnel in an executive or management capacity should be encouraged to maintain active participation and involvement in community life, service clubs and civic activities. It should be emphasized, however, that under current FCC policy experience of a licensee and station personnel in the community or in broadcasting is insufficient unless coupled with adequate surveys of the community along the lines mentioned above.

The Scripps-Howard stations are noted for their well-staffed and equipped news departments. An active and vigorous news department constantly has its finger on the pulse of the local community, and members of the news staff in pursuit of their news gathering duties will inevitably acquire a high degree of familiarity with and sensitivity to the important community problems and issues. Procedures should therefore be maintained to assure that this fund of information is made available to management personnel charged with programming responsibilities.

Discussions with prominent local citizens and local talent who come to the station's studios from time to time in connection with live discussion or entertainment programs is another means of maintaining contact.

Members of the station's listening or viewing audience should be invited to communicate to the station any criticisms or suggestions they may care to make for improving its programs, and from time to time announcements should be made over the air inviting listener comments. Program executives should be made aware of all letters and telephone communications received from the station's audience, and adequate records should be kept of such communications. A prompt and courteous response should be made to all responsible criticisms or suggestions. All stations are required to keep written comments and suggestions from members of the public concerning operation of the station and programming in the station's public file for three years.

Station managers should be constantly alert to seek out new ways and techniques to improve upon existing methods for determining and responding to the ever changing needs, interests and problems of the station's service area. In the final analysis, the success of each station will depend upon its responsiveness to the needs, interests and problems of the public which it is charged with serving. Therefore the Company's policy of insisting upon a high degree of sensitivity to such needs, interests and problems may be regarded as one of enlightened self-interest.

(e) Procedures for Handling Complaints and Responding to FCC Inquiries and Investigations

Any member of the public is free to file a complaint against a broadcast licensee. This may take the form simply of a letter to the FCC, a copy of which the FCC generally forwards to the station with a request for reply. Such letters as well as the replies are associated with the station's FCC file to be considered at renewal time, so it is important that such complaints be taken seriously and that full reply be made.

A complaint may also take the form of a petition to the FCC which it must act upon; however, the station is always given opportunity to reply or be heard.

In the event a station is advised of or receives a copy of any complaint made to the FCC, the matter should be immediately referred to the General Counsel for advice as to what action

should be taken, whether or not a copy has yet been forwarded to the station by the FCC with a request for reply. The text of all replies must be approved by the General Counsel.

In the event of a citation alleging a violation of the technical rules or the FCC's engineering standards is received from the FCC or from one of its field offices, the matter should be immediately referred to the station's Chief Engineer and also to the Vice President for Engineering. The reply should be prepared by the station's Chief Engineer with the approval of the station's General Manager and the Vice President for Engineering, and a copy should be furnished to the General Counsel. The Chief Engineer should check station compliance with the technical rules and standards at least each month using the check lists provided by the FCC's Field Operations Bureau, and a report should be made to the Vice President for Engineering with a copy to the General Counsel.

Should a station at any time be visited by an investigator or investigators of the FCC or of any other governmental agency relative to a complaint filed against the station or any alleged violation of law or regulations, the General Counsel should be immediately advised by telephone, and no statement should be given or documents furnished except upon instruction of the General Counsel.

EQUAL EMPLOYMENT OPPORTUNITY

The Scripps Howard stations are and have been Equal Opportunity Employers and afford equal opportunity in employment to all qualified persons. No person shall be discriminated against in employment because of race, color, religion, sex, age, ancestry, handicap, veteran status or national origin. All station managers are responsible for implementing and enforcing Company policy in this regard.

In order to implement the foregoing policy each station shall establish, maintain, and carry out, a positive continuing program of specific practices designed to assure equal opportunity in every aspect of station employment policy and practice. Under the terms of its program each station shall:

- (1) Define the responsibility of each level of management to insure a positive application and vigorous enforcement of the policy of equal opportunity, and establish a procedure to review and control managerial and supervisory performance.
- (2) Inform its employees and recognized employee organizations of the positive equal employment opportunity policy and program and enlist their cooperation.
- (3) Communicate the station's equal employment opportunity policy and program and its employment needs to sources of qualified applicants without regard to race, color, religion, sex or national origin, and solicit their recruitment assistance on a continuing basis.
- (4) Conduct a continuing campaign to exclude every form of prejudice or discrimination based upon race, color, religion, sex or national origin from the station's personnel policies and practices and working conditions.
- (5) Conduct continuing review of job structure and employment practices and adopt positive recruitment, training, job design and other measures needed in order to insure genuine equality of opportunity to participate fully in all organizational units, occupations and levels of responsibility in the station.

Supervisory personnel involved in or responsible for hiring are responsible for securing full knowledge of the foregoing Company policy and instructions and for abiding by the rules and guidelines of the FCC and EEOC in this regard. Compliance should be checked periodically and a written report submitted to the President at least once each six months.

SH0010575

IMPLEMENTATION OF THE FOREGOING POLICIES

The Scripps-Howard stations have always operated with a high degree of local autonomy and independence of each other. Each station offers its own program service and performs its public service function in a manner designed especially to meet the peculiar needs, interests and problems of its own community, and consequently the operations of no two Scripps-Howard stations can be said to be substantially alike.

It is the policy of this Company to continue to preserve such local independence. Consequently, the policies outlined above in this Operating Code are necessarily stated in general terms and relate only to matters which are of common concern to all stations wherever located. Each individual station is expected to establish its own internal procedures and to issue from time to time detailed instructions to station personnel based upon and designed to implement these policies in the light of its own local situation.